

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
SAN ANTONIO DIVISION**

*In re:*

KrisJenn Ranch, LLC,

*Debtor*

§  
§  
§  
§  
**CHAPTER 11**

§  
§  
§  
§  
**CASE NO. 20-50805**

---

KrisJenn Ranch, LLC, KrisJenn Ranch,  
LLC-Series Uvalde Ranch, and KrisJenn  
Ranch, LLC-Series Pipeline ROW, as  
successors in interest to Black Duck  
Properties, LLC,

§  
§  
§  
§  
**ADVERSARY NO. 20-05027**

*Plaintiffs,*

v.

DMA Properties, Inc., Frank Daniel  
Moore, and Longbranch Energy, LP,

*Defendants.*

---

DMA Properties, Inc., Frank Daniel  
Moore, and Longbranch Energy, LP,

*Counterplaintiffs,*

v.

KrisJenn Ranch, LLC, KrisJenn Ranch,  
LLC-Series Uvalde Ranch, and KrisJenn  
Ranch, LLC-Series Pipeline ROW, Black  
Duck Properties, LLC, Larry Wright,

§  
§  
§  
§  
**ADVERSARY NO. 20-05027**

*Counterdefendants.*

**DMA AND MOORE'S ANSWER  
TO KRISJENN'S SECOND AMENDED ADVERSARY COMPLAINT**

DMA Properties, Inc. and Frank Daniel Moore (collectively, "DMA") answer as follows:

**SUMMARY**

1. This paragraph summarizes other factual allegations set forth individually in subsequent paragraphs of KrisJenn's adversary complaint. (DMA hereinafter collectively refers to KrisJenn and its series as "KrisJenn"). DMA addresses those factual allegations below. To the extent this paragraph sets forth any additional allegations not contained elsewhere in Plaintiffs' complaint, denied.

2. This paragraph summarizes other factual allegations set forth individually in subsequent paragraphs of Plaintiff's adversary complaint. DMA addresses those factual allegations below. To the extent this paragraph sets forth any additional allegations not contained elsewhere in KrisJenn's complaint, denied.

3. This paragraph summarizes other factual allegations set forth individually in subsequent paragraphs of KrisJenn's adversary complaint. DMA addresses those factual allegations below. To the extent this paragraph sets forth any additional allegations not contained elsewhere in KrisJenn's complaint, denied.

4. This paragraph summarizes other factual allegations set forth individually in subsequent paragraphs of KrisJenn's adversary complaint. DMA addresses those factual allegations below. To the extent this paragraph sets forth any additional allegations not contained elsewhere in KrisJenn's complaint, denied.

5. Admitted that KrisJenn Ranch, LLC repurchased the Pipeline from TCRG "using one of its series, KrisJenn Ranch, LLC-Series Pipeline ROW." Admitted that KrisJenn took out a loan from McLeod. To the extent this paragraph sets forth any other allegations, denied.

6. Admitted that the parties seek a declaration regarding their interests in the

right-of-way. To the extent this paragraph sets forth any other allegations, denied.

7. Denied.

### **JURISDICTION AND VENUE**

8. Admitted.

9. Admitted that this Court has jurisdiction over the claims asserted in KrisJenn's adversary complaint. To the extent this paragraph sets forth any other allegations, denied.

10. Admitted that this proceeding is a core proceeding. To the extent this paragraph sets forth any other allegations, denied.

11. Admitted that KrisJenn's claims concern the property of KrisJenn Ranch, LLC-Series Pipeline ROW ("KrisJenn-Pipeline ROW"). The remainder of this paragraph is denied.

12. The cited case law speaks for itself. To the extent this paragraph sets forth any other allegations, denied.

13. DMA lacks knowledge or information sufficient to form a belief as to the allegations of this paragraph.

### **PARTIES**

14. Admitted.

15. Admitted that DMA is a party to this case.

16. Admitted that Longbranch is a party to this case. To the extent this paragraph sets forth any other allegations, denied.

### **BACKGROUND**

17. Denied.

18. Denied.

19. Denied.

20. Admitted that on or about February 19, 2016, Longbranch entered an agreement securing a right to purchase the pipeline right-of-way. To the extent this paragraph

sets forth any other allegations, denied.

21. Admitted that Longbranch assigned its right to purchase the pipeline right-of-way to Black Duck. To the extent this paragraph sets forth any other allegations, denied.

22. Admitted that Black Duck closed on the pipeline right-of-way on or about August 11, 2017. To the extent this paragraph sets forth any other allegations, denied.

23. The Longbranch Assignment speaks for itself. To the extent the quoted text diverges from the actual text of the Longbranch Assignment, denied.

24. Admitted that Black Duck conveyed to DMA a net-profits interest in the pipeline right-of-way on the same terms extended to Longbranch. Admitted that this paragraph appears to accurately quote the language of a formal document dated February 7, 2018, which memorialized the terms of the assignment. To the extent this paragraph sets forth any other allegations, denied.

25. Admitted that Black Duck sold the pipeline right-of-way to TCRG East Texas Pipeline 1, LLC in 2018. Admitted that Black Duck sold the right-of-way for \$2.5 million and a 16% carried interest in a future TCRG waterline. Admitted that the aggregate, projected profit was at least \$48,000 per day. To the extent this paragraph sets forward any other factual allegations, denied.

26. Denied.

27. Denied.

28. Admitted that Moore provided TCRG with a copy of the DMA Agreement. Otherwise, denied.

29. Admitted that KrisJenn and/or Wright repurchased the right-of-way through KrisJenn Ranch, LLC-Series Pipeline ROW. Otherwise, denied.

30. Denied.

31. Admitted that there were three lawsuits pending in state court between the parties. The Guadalupe County Case and the Longbranch Case were consolidated in Shelby County. DMA repeatedly sought to proceed with discovery and depositions in that case.

Those efforts were obstructed by KrisJenn. KrisJenn previously sought summary judgment in the Guadalupe County action and asked the state court to construe the parties' agreements in Wright's favor as a matter of law—just as KrisJenn is asking the Court to do here. The state courts—in both Guadalupe County and Shelby County—denied KrisJenn's motion for summary judgment.

32. Admitted that KrisJenn filed for bankruptcy. Otherwise denied.
33. Admitted that KrisJenn seeks damages. Denied that DMA tortiously interfered with the TCRG contract. Denied that KrisJenn is entitled to damages.

#### **DECLARATORY JUDGMENT**

34. This paragraph does not require a separate response.
35. To the extent this paragraph contains any allegations, denied.
36. Denied.
37. Denied.
38. Denied as to KrisJenn's characterizations of DMA's interpretation of the agreements. To the extent this paragraph sets forward any other allegations, denied.
39. Denied.
40. Denied.
41. To the extent this paragraph contains any allegations, denied.
42. The cited text speaks for itself. DMA is unsure what dictionary edition KrisJenn is citing. To the extent this paragraph contains any other allegations, denied.
43. Denied as to KrisJenn's characterizations of DMA's contentions. To the extent this paragraph sets forward any other allegations, denied.
44. To the extent this paragraph contains any allegations, denied.
45. Admitted.
46. Denied.
47. Admitted that DMA contends the funds were capital contributions. Otherwise,

denied.

48. Admitted that both agreements are supported by consideration. To the extent this paragraph sets forward any other allegations, denied.

49. DMA lacks knowledge or information sufficient to form a belief as to the allegations of this paragraph.

### **TORTIOUS INTERFERENCE WITH A CONTRACT**

50. This paragraph does not require a separate response.

51. DMA lacks knowledge or information sufficient to form a belief as to the allegations of this paragraph.

52. Denied.

53. Denied.

54. Denied.

### **ATTORNEY'S FEES**

55. Denied.

### **PRAYER**

DMA prays the Court enter judgment in DMA's favor, dismiss KrisJenn's claims with prejudice, and award DMA all other relief, both in law and equity, to which DMA is entitled.

Respectfully submitted,

/s/ Christopher S. Johns

Christopher S. Johns  
State Bar No. 24044849  
Christen Mason Hebert  
State Bar No. 24099898  
JOHNS & COUNSEL PLLC  
14101 Highway 290 West, Suite 400A  
Austin, Texas 78737  
512-399-3150  
512-572-8005 fax  
cjohns@johnsandcounsel.com  
chebert@johnsandcounsel.com

/s/ Timothy Cleveland

Timothy Cleveland  
State Bar No. 24055318  
Austin H. Krist  
State Bar No. 24106170  
CLEVELAND | TERRAZAS PLLC  
4611 Bee Cave Road, Suite 306B  
Austin, Texas 78746  
512-689-8698  
tcleveland@clevelandterrazas.com  
akrist@clevelandterrazas.com

Andrew R. Seger  
State Bar No. 24046815  
KEY TERRELL & SEGER  
4825 50th Street, Suite A  
Lubbock, Texas 79414  
806-793-1906  
806-792-2135 fax  
aseger@thesegerfirm.com

Natalie F. Wilson  
State Bar No. 24076779  
ANGLEY & BANACK  
745 East Mulberry Avenue, Suite 700  
San Antonio, Texas 78212  
210-736-6600  
210-735-6889 fax  
nwilson@langleybanack.com

*Attorneys for DMA and Moore*

**CERTIFICATE OF SERVICE**

I hereby certify that on December 24, 2020 a true and correct copy of the foregoing document was transmitted to each of the parties via the Court's electronic transmission facilities and/or via electronic mail as noted below. For those parties not registered to receive electronic service, a true and correct copy of the foregoing document was served by United States Mail, first class, postage prepaid, at the address noted below.

<p>Ronald J. Smeberg Charles John Muller, IV MULLER SMEBERG, PLLC 111 W. Sunset San Antonio, TX 78209 <a href="mailto:ron@smeberg.com">ron@smeberg.com</a> <a href="mailto:john@muller-smeberg.com">john@muller-smeberg.com</a></p> <p><i>Counsel for KrisJenn Ranch, LLC, Krisjenn Ranch, LLC, Series Uvalde Ranch, KrisJenn Ranch, LLC, Series Pipeline Row</i></p>	<p>Michael Black BURNS &amp; BLACK PLLC 750 Rittiman Road San Antonio, TX 78209 <a href="mailto:mblack@burnsandblack.com">mblack@burnsandblack.com</a></p> <p>Jeffery Duke DUKE BANISTER MILLER &amp; MILLER 22310 Grand Corner Drive, Suite 110 Katy, TX 77494 <a href="mailto:jduke@dbmmlaw.com">jduke@dbmmlaw.com</a></p> <p><i>Counsel for Longbranch Energy, LP</i></p>
<p>Ronald J. Smeberg THE SMEBERG LAW FIRM, PLLC 2010 W Kings Hwy San Antonio, TX 78201-4926 <a href="mailto:ron@smeberg.com">ron@smeberg.com</a></p> <p><i>Counsel for Black Duck Properties, LLC</i></p>	<p>Shane P. Tobin OFFICE OF THE U.S. TRUSTEE 903 San Jacinto Blvd, Room 230 Austin, Texas 78701 <a href="mailto:shane.p.tobin@usdoj.gov">shane.p.tobin@usdoj.gov</a></p> <p><i>United States Trustee</i></p>
<p>William P Germany BAYNE, SNELL &amp; KRAUSE 1250 N.E. Loop 410, Suite 725 San Antonio, TX 78209 <a href="mailto:wgermany@bsklaw.com">wgermany@bsklaw.com</a></p> <p><i>Counsel for Larry Wright</i></p>	<p>John Terrill 12712 Arrowhead Lane Oklahoma City, OK 73120</p> <p><i>Third Party-Defendant, pro se</i></p>
<p>Laura L. Worsham JONES, ALLEN &amp; FUQUAY, L.L.P. 8828 Greenville Avenue Dallas, TX 75243 <a href="mailto:lworsham@jonesallen.com">lworsham@jonesallen.com</a></p> <p><i>Counsel for McLeod Oil, LLC</i></p>	

/s/ Christopher S. Johns

Christopher S. Johns